



North Carolina Department of Administration

Presentation to House Appropriations Committee for Capital

March 21, 2017

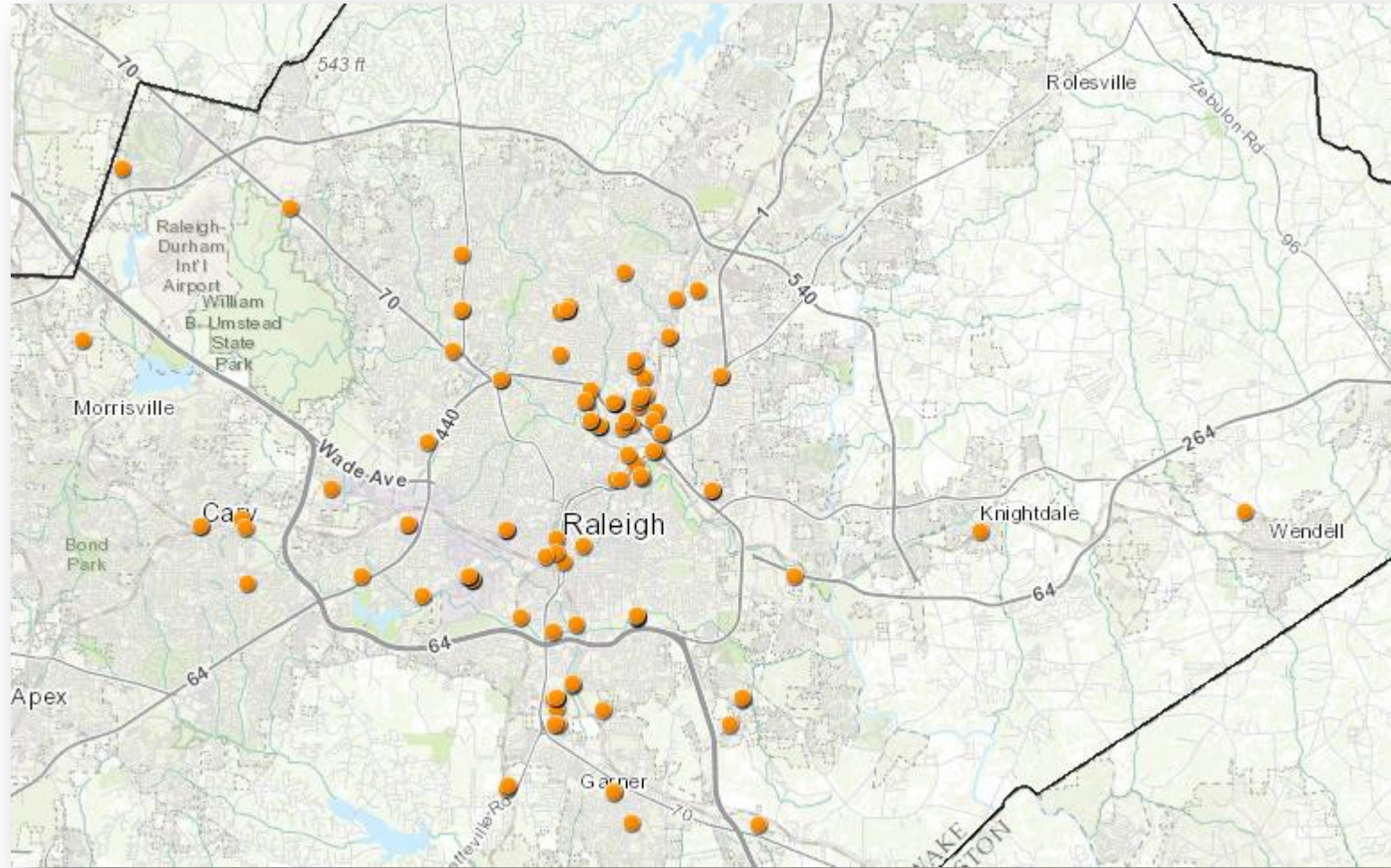
Wake County leased properties

- 122 total leases
- 34 total agencies
 - Including: Departments of Agriculture, Environmental Quality, Health and Human Services, Information Technology, Natural and Cultural Resources, Administration, Commerce, Insurance, Justice, Labor, Revenue, Transportation, Public Safety, and Military and Veterans Affairs
 - Also includes Governor's Office and State Human Resources

Net sq. ft.
2,115,707

Total annual rent
\$30,183,173.07

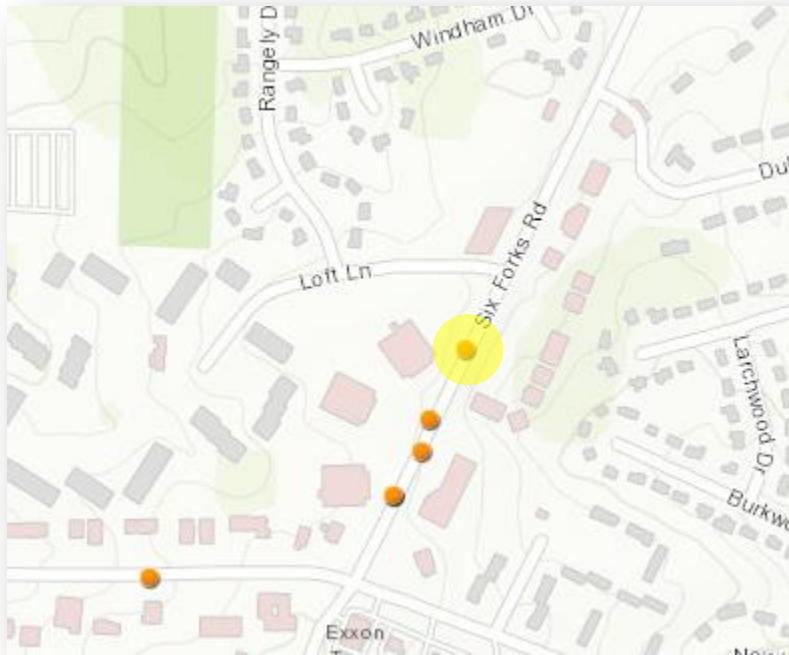
Wake County leased properties



Larger lease expirations in 2017

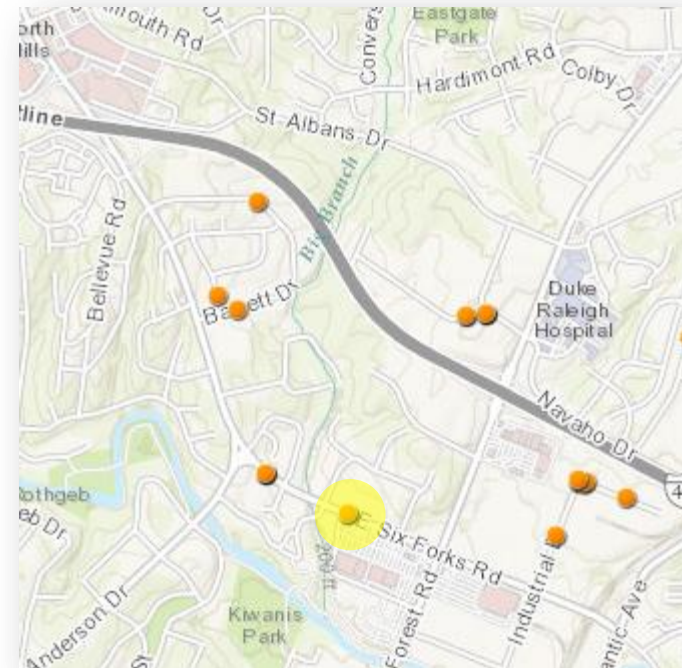
DHHS – Public Health

- 140,780 sq. ft.
- Annual rent: \$2,173,913



DHHS – Medical Assistance

- 38,036 sq. ft.
- Annual rent: \$655,896



Albemarle Building

- Complete renovation of 12-story, 192,000 sq. ft. building
 - Project start: 6/29/2015
 - Final inspection: 3/22/2017
 - Anticipated occupancy by early April
- New insulation and roofing
- Interior of building completely re-built
- New mechanical, electric, plumbing and fire protection systems throughout

Abate & demolish: \$9,500,000

Projected final cost: \$44,601,000

Before & after



Before & after



Lessons Learned

Original building occupancy date accomplished under budget due to:

- | | | | |
|---|--|---|----------------------------------|
| 1 | Teamwork | 4 | Attention to detail |
| 2 | Open & honest communication about issues/schedules | 5 | Flexibility |
| 3 | Diligence in overcoming obstacles | 6 | Commitment to owner satisfaction |

Lessons Learned

Initial bid day tabulations placed project 6% over budget

Value engineering process over next 90 days met budget and added alternatives to improve building's efficiency, security and access

One of largest single State Abatement Permits ever issued at the time

Testing and monitoring was required to assure containment was effective throughout process

All abatement materials required to be removed through external mounted vacuum standpipe

Elevator repairs & completion of life safety equipment was key schedule driver

Original building had handcrafted ceramic tile mosaic mural in lobby – valued at +\$250k

Individual sections mapped, specifically marked, removed and crated for shipping to new facility